

ASSET PURCHASE AGREEMENT

This agreement, duly made and entered into by and between South Central Communications Corporation, an Indiana corporation with its office and principal place of business in Evansville, Indiana (“Seller”), and Living Faith Ministries, Inc., a Virginia corporation with its office and principal place of business in Abingdon, Virginia (“Purchaser”);

Witnesseth, that:

Whereas, Seller is the owner and operator of low power television translator stations (i) WJZC-LP, licensed to Sevierville, Tennessee (FCC Facility ID 61052), and (ii) WEZK-LP, licensed to Knoxville, Tennessee (FCC Facility ID 61017) (the “Stations”); and

Whereas, Purchaser desires to acquire certain equipment and other assets used and useful in the operation of the Stations, including, but not limited to, all right, title and interest in and to the Federal Communications Commission (“FCC”) licenses and authorizations in connection with the operation of the Stations;

Now, Therefore, for and in consideration of the mutual promises, covenants, and agreements herein contained, and the performance thereof of the respective parties hereto, it is hereby mutually agreed by and among the parties hereto as follows:

1. **Incorporation of Recitals.** The foregoing introductory paragraph and recitals are hereby incorporated into the body of this Agreement as though fully set forth herein.
2. **Definitions.** For purposes of this Agreement, the following terms shall have the following meanings:
 - 2.1. **Agreement.** The term “Agreement” shall mean this Asset Purchase Agreement and all exhibits and schedules attached hereto.
 - 2.2. **Assets.** The term “Assets” shall mean the Business Records, Equipment, Licenses, Call Letters, Good Will and Intellectual Property.
 - 2.3. **Business Records.** The term “Business Records” shall mean all business records of the Seller, including, but not limited to, logs, books of account, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, public file materials and engineering records, and all FCC related document, all as are specifically identifiable by Seller solely to the operation of the Stations and separate from the aggregated business records of Seller (it being acknowledged that the Stations are a division of Seller, and not a stand-alone enterprise), but excluding records relating to the Assets excluded in Section 3.2 herein.
 - 2.4. **Call Letters.** The term “Call Letters” shall mean the call letters WJZC-LP and WEZK-LP.

- 2.5. Closing. The term “Closing” shall mean the consummation of the transactions contemplated herein, to be accomplished by (i) e-mail and/or facsimile transmission of executed documents required by Section 10 hereinbelow, followed by overnight delivery of the originals of said documents, and (ii) wire transfer of the Purchase Price.
- 2.6. Closing Date. The term “Closing Date” shall mean the tenth (10th) business day following the date on which the FCC’s approval of the Stations Assignment Applications becomes a Final Order, or such other date as the parties hereto may mutually agree.
- 2.7. Encumbrances. “Encumbrances” shall mean any and all mortgages, pledges, claims, liens, security interests, charges, or title defects (other than easements, land use restrictions, and right of ways of record), as applicable.
- 2.8. Equipment. The term “Equipment” shall mean all of the studio equipment, electrical devices, broadcasting equipment, tools, hardware, and other equipment owned by the Seller and used exclusively in the operation of the Stations, including, but not limited to, the items described on Schedule 2.8 hereof, together with any replacements, improvements and additions thereto made in the ordinary course of business between the date hereof and the Closing Date.
- 2.9. Excluded Assets. The term “Excluded Assets” shall mean any assets not included in Section 2.2 above, as further described in Section 3.2, below.
- 2.10. Final Order. The term “Final Order” shall mean an action or order of the FCC granting consent to the Stations Assignment Application without the imposition of any condition materially and adversely affecting either party and which action has not been reserved, stayed, enjoined, set aside, annulled or suspended and with respect to which action (i) no protest, request for stay, petition for reconsideration or appeal is pending; and (ii) the time for filing any such protest, request, petition or appeal has expired and the time for review by the FCC on its own motion has expired.
- 2.10A Goodwill. All goodwill associated with the Stations and their operations.
- 2.10B Intellectual Property. All intellectual property of or associated with the Call Letters, including, but not limited to, trade dress, trade names and the like.
- 2.11. Licenses. The term “Licenses” shall mean the licenses, permits and other authorizations issued by the FCC for the operation of the Stations and all applications for modification, extension or renewal thereof and all other licenses, permits and authorizations issued by any other federal, state or local governmental authority or regulatory agency which are used in or useful to the operation of the Stations, including, but not limited to, the authorizations and applications listed on Schedule 2.11 hereto.

- 2.12. Purchase Price. The term “Purchase Price” shall mean the sum of Forty Thousand Dollars (\$40,000.00).
- 2.13. Stations Assignment Application. The term “Stations Assignment Application” shall mean the application requesting that the FCC consent to the assignment of the Licenses issued by the FCC from the Seller to Purchaser.
- 2.14. Taxes. The term “Taxes” shall mean all federal, state, and local income, property, sales, use, excise and other taxes required to be filed, reported, and/or paid by the Seller in connection with the operation of the Stations.
- 2.15. WEZK Tower Lease. The term “WEZK Tower Lease” shall mean the tower site lease attached hereto as Exhibit 2.15 and made a part hereof.
- 2.16. WJZC Tower Lease. The term “WJZC Tower Lease” shall mean the tower site lease attached hereto as Exhibit 2.16 and made a part hereof.

3. **Purchase of Assets.**

- 3.1. Stations Assets. On the terms and subject to the conditions hereof, on the Closing Date, Seller shall sell, assign, transfer, convey and deliver to Purchaser, and Purchaser shall purchase and acquire from Seller, all of the right, title and interest of Seller in and to all of the Assets.
- 3.2. Excluded Assets. The Assets shall not include any asset of Seller that is not used exclusively in the operation of the Stations. Without limiting the foregoing, the assets of Seller relating to the Stations which are specifically excluded from the acquired Assets are as follows:
 - 3.2.1. All accounts receivable of Seller, whether or not related to the Stations; and
 - 3.2.2. All cash, cash equivalents, certificates of deposits, and marketable securities, of Seller, whether or not related to the Stations; and
 - 3.2.3. All records other than the Business Records; and
 - 3.2.4. Any and all contracts and agreements, other than the Licenses, whether written or otherwise, to which Seller is a party; and
 - 3.2.5. All claims, rights and interests of the Seller in and to any refunds for Taxes paid in respect of the Stations for periods ending on or prior to the Closing Date.
- 3.3. Purchase Price. Purchaser shall pay the Purchase Price in immediately available funds at Closing.

- 3.4. **Allocation.** The Purchase Price shall be allocated among the Assets in the manner set forth in Exhibit 3.4, attached hereto and made a part hereof, and Seller and Purchaser shall prepare and file Internal Revenue Service Form 8594 reflecting the transactions contemplated hereby in a manner consistent with that allocation of the Purchase Price.
4. **No Assumption of Liabilities or Contracts.** Purchaser does not assume, and shall not in any manner become responsible or liable for, and Seller hereby agrees to timely pay, perform and discharge, any debts, obligations, contracts and liabilities of Seller, whether known or unknown, fixed, contingent or otherwise.
5. **Risk of Loss.** Seller shall retain all risk of loss with respect to the Assets until the Closing. All risk of loss with respect to the Assets shall pass to Purchaser at Closing.
6. **Application for FCC Consent to Assignment.** Within five (5) business days after the date hereof, Seller and Purchaser shall join and file the Stations Assignment Application. Seller and Purchaser will diligently prosecute the Stations Assignment Application and use their respective reasonable best efforts to obtain the FCC's determination that approval of the Stations Assignment Application will serve the public interest, convenience and necessity. Purchaser and Seller shall each bear one-half (1/2) of the filing fee associated with the Stations Assignment Application.
7. **Representations and Warranties of Purchaser.** Purchaser hereby represents and warrants to Seller as follows:
- 7.1. **Organization.** Purchaser is a corporation, validly existing and in good standing under the laws of the State of Virginia. Purchaser has the requisite power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Purchaser pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.
- 7.2. **Authorization.** The execution, delivery and performance of this Agreement has been duly authorized and approved by all necessary action of Purchaser and does not require any further authorization or consent of Purchaser. This Agreement is, when executed and delivered by Purchaser and the other parties thereto will be, a legal, valid and binding agreement of Purchaser enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).
- 7.3. **No Conflicts.** Neither the execution and delivery of the Agreement nor the consummation of the transactions contemplated hereby, nor the performance of the terms and conditions hereof will violate, conflict with, or result in a breach or

default under any loan, note, mortgage or other agreements to which Purchaser is bound or subject.

7.4. No Brokerage. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Purchaser or any party acting on Purchaser's behalf.

8. **Representations and Warranties of Seller.** Seller makes the following representations and warranties to Purchaser:

- 8.1. Organization. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Indiana. Seller has the requisite power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Seller pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.
- 8.2. Authorization. The execution, delivery and performance of this Agreement has been duly authorized and approved by all necessary action of Seller and does not require any further authorization or consent of Seller. This Agreement is, when executed and delivered by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).
- 8.3. Licenses. Seller is the holder of the Licenses. The Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. The Licenses constitute all licenses, permits and governmental authorizations and approvals which are material to the operation of the Stations. The Stations are operating in compliance in all material respects with the Licenses, and the rules, regulations and policies of the FCC and other applicable laws. There are no investigations, material complaints, or other proceedings pending or threatened at the FCC which concern the Stations other than proceedings concerning substantial segments of the broadcasting industry generally.
- 8.4. Taxes. Seller has, in respect of the Stations' business, filed all Tax returns and reports which are required to have been filed by it under applicable law and has paid all Taxes which have become due pursuant to such returns.
- 8.5. Insurance. During the period from the date of this Agreement until the earlier of the Closing or the termination of this Agreement as hereinafter provided for, Seller shall cause to be maintained in effect through the Closing Date effective

and adequate property damage, casualty, liability and other insurance with respect to the Assets.

- 8.6. **Assets and Equipment.** Seller has or will have at closing title to the Assets free and clear of Encumbrances. The Assets constitute all the assets used or held for use by Seller exclusively for the operation of the Stations. The Equipment is in satisfactory operating condition and repair (normal wear and tear excepted), is maintained in accordance with good engineering practice in all material respects, is available for immediate use, is sufficient to operate the Stations' transmission facilities as presently operated by Seller, and is otherwise sufficient to permit the Stations to be operated in accordance with the Licenses and the rules and regulations of the FCC. No part of any Asset encroaches on any real property not subject to the WEZK Tower Lease or the WJZC Tower Lease. Neither the use of any of the Intellectual Property by Seller nor the conveyance of the Intellectual Property by Seller to Purchaser has, does, or will infringe upon the right of any third party with respect to such Intellectual Property.
- 8.7. **Compliance with Law.** Seller has complied in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees, building and other codes or orders of any court or of any foreign, federal, state, municipal or other governmental authority that are applicable to the operation of the Stations.
- 8.8. **No Brokerage.** No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.
- 8.9. **Litigation.** There is no litigation, claim or proceeding pending against Seller affecting any of the Assets or Seller's ability to enter into and carry out the terms of this Agreement.
- 8.10. **Non-Contravention.** Seller's entering into and carrying out the terms of this Agreement do not, and will not, violate or conflict with Seller's corporate charter, bylaws or governance documents or any agreement to which Seller or any of the Assets are subject.

9. **Conditions Precedent.**

- 9.1. **Mutual Conditions.** The obligations of Seller and Purchaser under this Agreement are subject to the satisfaction on or prior to the Closing Date of each of the following conditions, any of which may be waived by the party to which the obligation is owed:

- 9.1.1. ***FCC Consent.*** The FCC shall have granted the Stations Assignment Applications and such grant shall have become a Final Order within a period of nine (9) months from the date of the execution of this Agreement.

- 9.1.2. *Absence of Litigation.* No Litigation, proceeding or investigation, seeking to enjoin, restrain or prohibit the consummation of the transactions contemplated by this Agreement shall be pending before any court, the FCC or any other governmental authority; provided, however, that this condition may not be invoked by a party if any such action, suit, proceeding or investigation was instituted or solicited by such party.
- 9.1.3. *Performance.* The parties shall have in all material respects performed and complied with all covenants, agreements and conditions required by the Agreement to be performed or complied with prior to and at the Closing Date and that their representations and warranties are as true and correct as of the Closing Date as they were at the time of execution of this Agreement.

10. **Documents to be delivered at Closing.**

10.1. **Seller's Documents.** At Closing, Seller shall deliver or cause to be delivered to Purchaser:

- 10.1.1. Certified copies of resolutions authorizing its execution, delivery, and performance of this Agreement, including the consummation of the transactions contemplated hereby.
- 10.1.2. A certificate dated as of the Closing Date shall be delivered to Purchaser, executed by the CEO of Seller, to the effect that the representations and warranties of Seller made in the Agreement shall be true and correct as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.
- 10.1.3. Such bills of sale, assignments, documents of title and other instruments of conveyance, assignment and transfer as may be necessary to convey transfer and assign the Assets to Purchaser, free and clear of Encumbrances.
- 10.1.4. The WEZK Tower Lease.
- 10.1.5. The WJZC Tower Lease.

10.2. **Purchaser's Documents.** At Closing, Purchaser shall deliver or cause to be delivered to Seller:

- 10.2.1. The Purchase Price, by wire transfer of immediately available funds.
- 10.2.2. Seller shall receive a certificate dated as of the Closing Date, executed by the President of Purchaser, which states the representations and warranties of Purchaser made in this Agreement shall be true and correct in all

material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Purchaser at or prior to Closing shall have been complied with or performed in all material respects.

10.2.3. The WEZK Tower Lease.

10.2.4. The WJZC Tower Lease.

10.3. Transfer Taxes. Purchaser shall pay any sales taxes or transfer taxes based on sale of the Assets pursuant to this Agreement.

11. Notice. All notices, request, demands, or other communications hereunder shall be in writing and shall be deemed to have been duly given when personally delivered to or mailed first class, postage prepaid, certified mail, return receipt requested and addressed:

If to Purchaser: Living Faith Ministries
c/o Michael D. Smith
PO Box 1867
Abingdon, Virginia 24212

with a copy to: PennStuart
c/o W. Challen Walling
P.O. Box 2009F
Bristol, VA 24203
804 Anderson Street
Bristol, VA 37620

If to Seller: South Central Communications Corporation
c/o J.P. Engelbrecht
Fifth Third Bank Building, 14th Floor
20 N.W. 3rd Street
Evansville, IN 47708

with a copy to: Fine & Hatfield, A Professional Corporation
c/o David D. Sanders
520 N.W. Second Street
P. O. Box 779
Evansville, Indiana 47705-0779

12. Other Documents and Actions. The parties shall execute such other documents or other instruments of conveyance and take such actions as may be necessary and desirable to the implementation and consummation of the transaction contemplated by this Agreement.

13. General Provisions.

- 13.1. Possession and Control of Stations. Unless otherwise agreed to in writing by Seller and Purchaser, notwithstanding any other provision of this Agreement, between the date of this Agreement and the Closing Date, Purchaser shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operations of the Stations and the conduct of such business operation, including the control and supervision of programming, shall be the sole responsibility of and in the complete discretion and independent and separate control of the Seller.
- 13.2. Press Releases and Announcements. The parties hereto agree that no press release or announcement relating to the subject matter of this Agreement shall be issued prior to the date on which the Stations Assignment Applications are filed with the FCC, without the consent of all parties hereto.
- 13.3. Headings. The headings of the sections of this Agreement are inserted as a matter of convenience and for reference purposes only and in no respect define, limit or describe the scope of this Agreement or the intent of any section hereof.
- 13.4. Entire Agreement. This Agreement and all instruments to be delivered by the parties pursuant hereto represent the entire understanding and agreement among the parties hereto with respect to the subject matter hereof, supersede all prior negotiations between such parties, and can be amended, supplemented, or changed only by an instrument in writing which makes specific reference to this Agreement and which is signed by all of the parties hereto.
- 13.5. Waiver. Compliance with any provisions hereof may be waived, but only in writing by all of the parties hereto. No exercise or failure to exercise any right hereunder, and no partial or single exercise, of that or any other right shall be construed to be a waiver of that or any other right, it being understood that all such rights and remedies are cumulative and not exclusive.
- 13.6. Parties Bound. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto, their respective successors, assigns, beneficiaries, and distributees.
- 13.7. Expenses. Each party shall pay its own expenses in conjunction with this Agreement and the transactions contemplated hereby, including, without limitation, the fees and expenses of its agents, representatives, counsel and accountants.
- 13.8. Governing Law. This Agreement shall be governed and interpreted in accordance with the laws of the State of Tennessee. Any disputes arising out of this Agreement or the transactions contemplated herein shall be resolved in the state or federal courts situated in Knox County, Tennessee and the parties consent and submit to the exclusive jurisdiction of such courts.
- 13.9. Severability. In case one or more of the provisions contained herein is held invalid or unenforceable in any respect, the invalidity or unenforceability of such

provision shall in no way affect the validity or enforceability of remaining provisions of this Agreement.

14. **Indemnification.**

14.1. **By Seller.** Seller agrees to indemnify and hold Purchaser harmless from and against any loss, liability, cost or expenses, including attorney's fees in connection with or arising from:

- (i) any breach by Seller of, or any other failure of Seller to perform, any of its covenants, agreements or obligations in this Agreement;
- (ii) any breach of any warranty or the inaccuracy of any representation of Seller contained in this Agreement or any certificate delivered by or on behalf of Seller pursuant hereto; or
- (iii) any Encumbrance on the Assets arising prior to the Closing or any liability or debt relating to or arising from the Assets or the Stations prior to the Closing.

14.1.2. **By Purchaser:** Purchaser agrees to indemnify and hold Seller harmless from and against any loss, liability, cost or expenses, including attorney's fees in connection with or arising from:

- (i) Any breach by Purchaser of, or any other failure of Purchaser to perform, any of its covenants, agreements or obligations in this Agreement; or
- (ii) Any breach of any warranty or the inaccuracy of any representation of Purchaser contained in this Agreement or any certificate delivered by or on behalf of Purchaser pursuant hereto.

The representations and warranties of Seller and Purchaser in this Agreement shall survive the Closing for twenty-four (24) months after the Closing, and any claim for indemnification by Purchaser or Seller must be made within such time.

15. **Termination.** Notwithstanding anything else in this Agreement to the contrary, this Agreement may be terminated at any time prior to Closing:

- (i) by mutual written agreement by Seller and Purchaser;
- (ii) by notice by one party to the other if the other party is in material breach of this Agreement and such breach is not cured within fifteen (15) days of such notice, provided that the notifying party is not in material breach of this Agreement;
- (iii) by either party upon notice to the other if the Final Order has not occurred within eighteen (18) months after execution of this Agreement; or

(iv) by either party if the TV Translator Rebroadcast Agreement (“Rebroadcast Agreement”) entered into by and between Purchaser and Seller contemporaneously herewith is terminated pursuant to section 1 of the Rebroadcast Agreement.

Upon any termination pursuant to (i) or (iii) above, or if termination occurs pursuant to Section 1(d) or 1(e) of the Rebroadcast Agreement, neither party shall have any claim against the other. Upon any termination pursuant to (ii), or if termination occurs pursuant to Section 1(a), 1(b), or 1(c) of the Rebroadcast Agreement, the terminating party shall be entitled to pursue all available remedies against the other party.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have entered into and signed this Asset Purchase Agreement as of the dates indicated below.

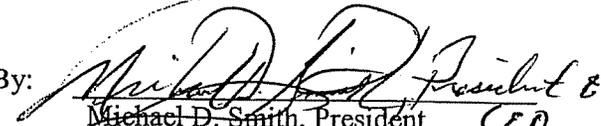
**SOUTH CENTRAL
COMMUNICATIONS CORPORATION**

By: _____
J.P. Engelbrecht, CEO

Date: _____

“SELLER”

LIVING FAITH MINISTRIES, INC.

By:  President & CEO
Michael D. Smith, President

Date: 8/10/09

“PURCHASER”

IN WITNESS WHEREOF, the parties hereto have entered into and signed this Asset Purchase Agreement as of the dates indicated below.

**SOUTH CENTRAL
COMMUNICATIONS CORPORATION**

By: 
J.P. Engelbrecht, CEO

Date: 8-5-08

“SELLER”

LIVING FAITH MINISTRIES, INC.

By: _____
Michael D. Smith, President

Date: _____

“PURCHASER”